GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2567
ANSWERED ON:18.03.2005
LOAN FROM FFIS QUESTION
Pathak Shri Brajesh

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has taken loans from foreign financial institutions during the last three years;

(b) if so, the details thereof alongwith names of the institutions; and

(c) the rate of interest to be paid on this loans?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (S. S. PALANIMANICKAM)

(a) Yes, Sir.

(b) A statement is attached.

(c) For IBRD loans interest rate is variable and is determined based on 6-month LIBOR plus a variable spread. The rate applicable for interest period beginning 15.12.2004 to 15.06.2005 is as follows: -

(i) Loans for which invitation for negotiation was issued prior to 31.7.1998 - 2.86% p. a. (with a spread of 50 basis points)

(ii) Loans for which invitation for negotiation was issued on or after 31.7.1998 - 3.11% p. a. (with a spread of 75 basis point). For ADB loans, the interest rate is determined on LIBOR +0.40% based average cost of borrowings. For IFAD loans 0.75% Service Charge is applied.